

TABLE V

STATE OF TENNESSEE  
COMPUTATION OF LEGAL DEBT SERVICE MARGIN  
JUNE 30, 1999

(Expressed in Thousands)

LEGAL DEBT SERVICE LIMIT (1999 PLEDGED REVENUES OF \$632,040/150%)	\$ 421,360
LESS - 1999 DEBT SERVICE REQUIRED ON ALL GENERAL LONG-TERM DEBT, INCLUDING STATE LOAN PROGRAM AND FACILITIES REVOLVING FUND GENERAL OBLIGATION BONDS	<u>125,924</u>
LEGAL DEBT SERVICE MARGIN	<u>\$ 295,436</u>

	COLLECTIONS FOR FISCAL YEAR 1999				PLEDGED	
	PORTION PLEDGED	ALL GOVERNMENTAL FUND TYPES	LOCAL GOVERNMENT FUND	TOTAL	PERCENT	AMOUNT
CALCULATION OF 1999 PLEDGED REVENUES AS ABOVE:						
GASOLINE TAX	29.3 %	\$ 367,460	\$ 216,761	\$ 584,221	29.3	\$ 171,177
PETROLEUM PRODUCTS FEE	ALL	29,597	12,017	41,614	100.0	41,614
MOTOR VEHICLE REGISTRATION FEE	ONE-HALF	201,166		201,166	50.0	100,583
FRANCHISE TAX	ALL	<u>318,666</u>		<u>318,666</u>	100.0	<u>318,666</u>
TOTALS		<u>\$ 916,889</u>	<u>\$ 228,778</u>	<u>\$ 1,145,667</u>		<u>\$ 632,040</u>

NOTE: Pledged revenues for the last five years are shown below:

FISCAL YEAR	PLEDGED REVENUES	PERCENT INCREASE (DECREASE)
1995	561,712	6.6
1996	573,205	2.0
1997	694,114	21.1
1998	621,159	(10.5)
1999	632,040	1.8